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RECENT TRENDS IN YUGOSLAVIAN - BLOC TRADE

During the first nine months of 1958, Yugoslavia's trade with the Soviet Bloc showed a substantial increase over the volume of trade achieved during the same period of 1957. Exports to the Bloc reached \$60.8 million during the January - September 1958 period compared to \$68.2 million in 1957. In relative terms, however, this represented a slight decline in trade as only 23 percent of all Yugoslav exports went to the Bloc in January - September 1958 compared with 25 percent for the corresponding months of 1957. Imports from the Bloc showed an increase during 1958 in both absolute and relative terms. Imports amounted to \$145.9 million during the first nine months of 1958. This was 26 percent of total imports. In the same period of 1957, imports from the Bloc were \$91.6 million and represented 18 percent of all imports. Total Bloc trade represented 26 percent of Yugoslavia's world trade during the January - September 1958 period. While in the first three quarters of 1957, only 20 percent of world trade was conducted with the Bloc.

The data above seem to indicate that the crisis in Yugoslav - Bloc relations has had little effect on trade. There is some evidence, however, that trade during the third quarter of the year did begin to reflect the effects of the current dispute. During the July - September 1958 period, trade with the Bloc totaled \$70.7 million, which was only slightly larger than the \$68.2 million reached in the third quarter of 1957. Furthermore, exports to Bulgaria, Czechoslovakia, Poland, and Rumania were lower in September of 1958 than September of last year. Imports from the Bloc were also lower than September of 1957. Foreign Secretary Koca Popovic is reported as stating that, while difficulties concerning the supply of 200,000 tons of wheat from the Soviet Union had been cleared up, the question of 200,000 tons of coking coal from the Soviets was still unsettled. Earlier in the year, Yugoslavian officials had stated that they would not receive 600,000 tons of coking coal from the Bloc.

The increase in trade with the Bloc was accounted for entirely by the European Satellites. Trade with the USSR showed a decline from a total of \$73.7 million during the first nine months of 1957 to \$71.0 million for the same period of 1958. The largest gain was registered with East Germany which increased its total from \$10.5 million in the first three quarters of 1957 to \$37.0 million in January - September of 1958. Poland showed an increase from \$21.3 million in 1957 to \$40.4 million in 1958.

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Yugoslavia has signed a trade agreement covering 1959 with Poland and negotiations are under way with Hungary, Czechoslovakia, and Bulgaria. Although 1959 agreements would normally have been signed by this time, talks with the USSR, Rumania, Albania, East Germany and Red China are still pending.

Yugoslavia's Free World trade also increased during the first nine months of 1958 but the increase was much less than that achieved with the Bloc. Total Free World trade grew from \$624.7 million in 1957 to \$648.3 million in 1958, an increase of 4 percent. Bloc trade during January - September 1958 was approximately 40 percent above the corresponding 1957 total.

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